Final Terms dated 26 September 2011

Morgan Stanley

Issue of £550,000 Notes due 2014

(to be consolidated and form a single series with the £2,385,000 Notes due 2014 (the "Existing Notes"))

linked to Index Warrants

under the Programme for the Issuance of Morgan Stanley Notes linked to Morgan Stanley Jersey Warrants exercisable for Morgan Stanley Jersey Limited Preference Shares

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES, AND ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. THE NOTES DESCRIBED HEREIN MAY NOT BE OFFERED, SOLD OR DELIVERED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN EITHER REGULATION S UNDER THE SECURITIES ACT OR THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED). SEE "SUBSCRIPTION AND SALE" AND "NO OWNERSHIP BY U.S. PERSONS" IN THE BASE PROSPECTUS DATED 8 AUGUST 2011. IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH PERSON.

The Notes are senior unsecured obligations of Morgan Stanley, and all payments on the notes, including the repayment of principal, are subject to the credit risk of Morgan Stanley. The Notes are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency, nor are they obligations of, or guaranteed by, a bank.

This document constitutes Final Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Note Conditions of the Base Prospectus of 15 June 2010 incorporated by reference in the Base Prospectus dated 8 August 2011 which constitutes a Base Prospectus (the **Base Prospectus**) for the purposes of the Prospectus Directive (Directive 2003/71/EC) (the **Prospectus Directive**). This document constitutes the Final Terms of the Notes described herein for the purposes of Article 5.4 of the Prospectus Directive and must be read in conjunction with such Base Prospectus. Full information on the Issuer and the offer of the Notes is only available on the basis of the combination of these Final Terms and the Base Prospectus. Copies of the Base Prospectus are available from the offices of Morgan Stanley & Co. International plc at 20 Bank Street, Canary Wharf, London E14 4AD.

YOU SHOULD CONSULT YOUR INDEPENDENT FINANCIAL OR OTHER APPLICABLE ADVISOR(S) BEFORE INVESTING IN THE PRODUCT DESCRIBED ABOVE. YOU SHOULD NOT INVEST IN THE PRODUCT UNLESS YOU UNDERSTAND AND HAVE SUFFICIENT FINANCIAL RESOURCES TO BEAR THE RISKS ASSOCIATED WITH AN INVESTMENT IN THE PRODUCT.

Morgan Stanley is not qualified to give legal, tax or accounting advice to its clients and does not purport to do so in this document. Clients are urged to seek the advice of their own professional advisers about the consequences of the proposals contained herein.

US Treasury Circular 230 Notice - Morgan Stanley does not render advice on tax and tax accounting matters to clients. This material was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws.

1.	Issuer:		Morgan Stanley
2.	(i)	Series Number:	4632
	(ii)	Tranche Number:	4
			The Notes will be consolidated and form a single series with the Existing Notes on the Exchange Date
3.	Specified Currency or Currencies:		Pounds sterling ("£")
4.	Aggregate Principal Amount of the Notes:		
	Series:		**£2,935,000**
	Tranche:		**£550,000**
5.	Issue Price		100 per cent. of par per Note
6.	Specified Denominations (Par):		£1.00
	(Condition 3)		
7.	Issue Date:		26 September 2011
8.	Maturity Date:		28 March 2014
9.	Interest Basis:		Non-interest bearing
10.	Redemption/Payment Basis:		Redemption at par
			(further particulars specified below)
11.	Put/Call Options:		
	(i)	Redemption at the option of the Issuer:	Not Applicable
	(ii)	Redemption at the option of the Noteholders:	Not Applicable
		Other Put/Call Options:	Not Applicable
12.	Method of distribution:		Non-syndicated
13.	Equity Linked Note Provisions		Not Applicable/ Notwithstanding that the Notes are

		not Equity Linked Notes, Condition 10.5 (*Additional Disruption Events*) shall apply to the Notes.
	(Condition 10):	
	Additional Disruption Event:	All (but not some only) of the Warrants (as defined at paragraph 16 (*Final Redemption Amount of each Note*) below) are purchased and cancelled pursuant to Condition 20 of the Warrants.

PROVISIONS RELATING TO REDEMPTION

14.	Call Option (Condition 15.7)	Not Applicable
15.	Put Option (Condition 15.9)	Not Applicable
16.	Final Redemption Amount of each Note (Condition 15.1)	£1.00 per Note unless on the Election Valuation Date the market value of a Warrant determined by the Determination Agent in good faith and in a commercially reasonable manner (the "Warrant Market Value") is more than £1.00 in which case the Final Redemption Amount shall be determined as follows: (a) if the Warrant Market Value is more than £1.00 but equal to or less than £1.025, the Note Redemption Amount shall be an amount equal to the Warrant Market Value; and (b) if the Warrant Market Value is more than £1.025, the Final Redemption Amount shall be £1.025
17.	Warrants:	**2,935,000** Warrants linked to the Index, Series W964, ISIN: JE00B3LWHN71, issued by Morgan Stanley (Jersey) Limited and guaranteed by Morgan Stanley. Each Warrant is exercisable for one Class 964 Preference Share in Morgan Stanley (Jersey) Limited guaranteed by Morgan Stanley The terms of the Warrants are contained in Part C ("Final Terms Relating to the Warrants") of these Final Terms. The Preference Shares (including the Guarantee thereof) are described in Part D ("Terms of the Preference Shares") of these Final Terms.
18.	Election Valuation Date:	The Final Observation Date (as defined in Part C of these Final Terms)
19.	Early Termination Amount and Redemption	

Amount upon early redemption

(Condition 15.2, 15.5, 15.10 and 20)

Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on event of default or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	An amount in cash equal to the fair market value of such Note on the date of such early termination less such Note's *pro rata* share of the reasonable cost to the Issuer and/or its affiliates of unwinding, or the loss realised by the Issuer and/or its affiliates on, any related hedging arrangements, all as calculated by the Determination Agent in its sole and absolute discretion.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

20.	Form of Notes: (Condition 3)	Bearer Notes: Temporary Global Note exchangeable for a Permanent Global Note not less than 40 days after the Issue Date which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note
21.	Additional Financial Centre or other special provisions relating to Payment Dates:	Not Applicable
22.	Other final terms:	Not Applicable

DISTRIBUTION

23.	(i)	If syndicated, names and addresses of Managers and underwriting commitments; and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers:)	Not Applicable
	(ii)	Date of Subscription Agreement:	Not Applicable
		Stabilising Manager(s) (if any):	Not Applicable
24.		If non-syndicated, name and address of Dealer:	Morgan Stanley & Co. International plc 20 Bank Street London E14 4AD
25.		Non-exempt offer:	Not applicable
26.		Whether TEFRA D or TEFRA C rules	TEFRA D

applicable or TEFRA rules not applicable:

Total commission and concession:	Not Applicable
Additional selling restrictions:	Not Applicable

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

RESPONSIBILITY By:..
Duly authorised

Harald Herrmann
Authorised Signatory

PART B – OTHER INFORMATION

1. LISTING

(i) Listing of the Notes	Application has been made for the Notes to be listed on the Official List of the UK Listing Authority with effect from the Issue Date.
(ii) Admission to trading of the Notes:	Application has been made for the Notes to be admitted to trading on the London Stock Exchange plc's Regulated Market with effect from the Issue Date. The Existing Notes have been listed and admitted to trading

2. RATINGS

Ratings of the Notes:	The Notes have not been rated.

3. OPERATIONAL INFORMATION

Temporary ISIN Code:	XS0678591974
Temporary Common Code:	067859197
ISIN Code:	XS0607287983
Common Code:	060728798
New Global Note:	No
Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream and the relevant identification number(s):	Not Applicable
Delivery to the Dealer:	Delivery free of payment
Names and addresses of additional Paying Agent(s) (if any):	Not Applicable
Intended to be held in a manner which would allow Eurosystem eligibility:	No

PART C – FINAL TERMS RELATING TO THE WARRANTS

FINAL TERMS dated as of 26 September 2011
Series Number: W964 **Common Code:** 060753555
Tranche: 4 **ISIN: JE00B3LWHN71**

MORGAN STANLEY (JERSEY) LIMITED
as Issuer

(incorporated with limited liability in Jersey, Channel Islands)

MORGAN STANLEY
as Guarantor

PROGRAM FOR THE ISSUANCE OF
WARRANTS AND CERTIFICATES

Issue of 550,000 Warrants

(to be consolidated and form a single series with the 2,385,000 Warrants (the "Existing Warrants"))
linked to the Index

THE WARRANTS DESCRIBED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE IN THE UNITED STATES, AND ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. THE WARRANTS DESCRIBED HEREIN MAY NOT BE OFFERED, SOLD OR DELIVERED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN EITHER REGULATION S UNDER THE SECURITIES ACT OR THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED). SEE "SUBSCRIPTION AND SALE" AND "NO OWNERSHIP BY U.S. PERSONS" IN THE BASE PROSPECTUS DATED 8 AUGUST 2011. IN PURCHASING THE WARRANTS, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH PERSON. THE WARRANTS ARE NOT RATED.

This document constitutes Final Terms relating to the issue of Warrants described herein. Terms used herein shall be deemed to be defined as such for the purposes of the 2010 Warrant and Certificate Conditions incorporated by reference in the Base Prospectus dated 8 August 2011 which constitutes the Base Prospectus (the **Base Prospectus**). This document constitutes the Final Terms of the Warrants described herein and must be read in conjunction with such Base Prospectus. The Warrants shall constitute Securities for the purposes of the Warrant Conditions. Full information on the Issuer, the Guarantor and the offer of the Warrants is only available on the basis of the combination of these Final Terms and the Base Prospectus.

Index Disclaimer

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General

1.	Issuer:	Morgan Stanley (Jersey) Limited
2.	Guarantor:	Morgan Stanley
3.	Aggregate Number of Warrants in the Series:	**2,935,000**
4.	Aggregate Number of Warrants in the Tranche:	**550,000** The Warrants will be consolidated and form a single series with the Existing Warrants on the Issue Date
5.	Issue Date:	26 September 2011
6.	Issue Price:	The Issue Price per Warrant is £1.00 per Warrant payable on the Expiration Date subject to the Warrants being delivered upon redemption of the £2,935,000 Notes due 2014 linked to the Index Warrants, Series 4632, ISIN XS0607287983, issued by Morgan Stanley (the "Notes"). If the Warrants are not so delivered, the Warrants will be cancelled and the Issue Price will no longer be payable.
7.	Warrant Style: *(Condition 4)*	European Style Warrants, Deemed Exercise applies
8.	Type:	The Warrants are Index Warrants and Share Warrants
	For Share Warrants only	Notwithstanding that the Warrants are Share Warrants, Condition 7 so far as it relates to Share Warrants shall not apply to the Warrants.
	(i) Underlying Security:	Class 964 Preference Share in Morgan Stanley (Jersey) Limited guaranteed by Morgan Stanley. The Underlying Securities will be represented by a single certificate representing all the Underlying Securities (see Part D – Terms of the Preference Shares) and will be delivered through Euroclear and Clearstream, Luxembourg.
	(ii) Relevant Issuer:	Morgan Stanley (Jersey) Limited
	(iii) Exchange	Not Applicable
	(iv) Related Exchange:	Not Applicable
	(v) Exchange Business Day:	Not Applicable
	(vi) Initial Date:	Not Applicable

(vii)	Additional Disruption Events:	Not Applicable

For Index Warrants only

(viii)	Index:	Index: The FTSE® 100 Index. The Index is not a Multi-Exchange Index.
(ix)	Weighting:	Not Applicable
(x)	Exchange(s):	London Stock Exchange
(xi)	Related Exchange:	All Exchanges
(xii)	Exchange Business Day:	Any Scheduled Trading Day on which the Exchange and the Related Exchange are open for trading during their respective regular trading sessions, notwithstanding the Exchange or the Related Exchange closing prior to its Scheduled Closing Time.
(xiii)	Averaging Dates:	Not Applicable
(xiv)	Additional Disruption Events:	Applicable: Change of Law Hedging Disruption Increased Cost of Hedging

Exercise

9.	Expiration Date:	11 April 2014
10.	Latest Exercise Time:	10:00 a.m. Brussels time (in the case of Euroclear) or 10:00 a.m. Luxembourg Time (in the case of Clearstream, Luxembourg)
11.	Minimum Exercise Number: *(Condition 5.10)*	Not Applicable

Settlement

12.	Settlement Basis: *(Condition 4)*	The Warrants are Full Physical Settlement Warrants.
13.	Ratio:	1 Warrant relates to 1 Underlying Security.
14.	Strike Price Payment Date:	Expiration Date
15.	Strike Price:	(a) **If a Knock In Event has not occurred on the Knock In Determination Date**: £10 – (£1 + Fixed Amount) * FFL / (FIL * Exp(-Div*T)))

(b) **If a Knock In Event has occurred on the Knock In Determination Date**: £10.00 – (£1 * (Min(IndexFinal / IndexInitial, 1) + (Fixed Amount))) * FFL /(FIL * Exp(-Div*T))

Where:

"**Fixed Amount**" means Par*Growth

"**Growth**" means 18.1% * (n / N)

"**n**" means the number of Exchange Business Days the official closing level of the Index, as determined by the Determination Agent, is equal to or above the Lower Range and equal to or below the Upper Range from Pricing Date to Final Valuation Date, both inclusive;

"**N**" means the number of Exchange Business Days from Pricing Date to Final Valuation Date , both inclusive;

"**Upper Range**" means 8,000

"**Lower Range**" means 3,000

"**IndexInitial**" means the official closing level of the Index on the 19 March 2011, as determined by the Determination Agent;

"**IndexFinal**" means the official closing level of the Index on the Final Valuation Date, as determined by the Determination Agent;

"**Knock In Event**" means the Index is at or below Barrier Level on the Knock In Determination Date;

"**Barrier Level**" means 3,000

"**Div**" means 3.66%;

"**T**" means the period including the Final Valuation Date to but excluding the Expiration Valuation Date divided by 365;

"**Expiration Valuation Date**" means the first Scheduled Trading Day immediately preceding the Expiration Date that is not a Disrupted Day;

"**FFL**" means the weighted sum of the official closing level of the Index on the Expiration Valuation Date, as determined by the Determination Agent;

"**FIL**" means the weighted sum of the official closing level of the Index on the Final Observation Date, as determined by the

Determination Agent;

"**Knock In Determination Date**" means Final Valuation Date

The Strike Price will be rounded to the nearest 1 pence with 0.5 pence being rounded downwards.

Adjustment to the Index

References to "any Valuation Date" and "Final Price" in Condition 7.2.2 shall be deemed to be references to "the Expiration Valuation Date" and "Index Level" respectively; and

References to "final Valuation Date" and "Fiscal Agent" in Condition 7.2.3 shall be deemed to be references to "Expiration Valuation Date" and "Principal Securities Agent" respectively.

16.	Settlement Price:	Not Applicable
17.	Physical Settlement Date:	As defined in Condition 1

Additional details

18.	Determination Agent:	As defined in the Conditions
19.	Listing:	None
20.	Clearance Systems:	Euroclear and Clearstream, Luxembourg
21.	Additional Selling Restrictions:	Not Applicable

Signed on behalf of the Issuer:

By: ....
Duly authorised

PART D - TERMS OF THE PREFERENCE SHARES

Description of Certain Rights

The following when read in conjunction with the Description of the Preference Shares set out in the Base Prospectus dated 6 August 2010 is a description of certain rights attaching to the Preference Shares which are set out in full in, are subject to, and are qualified in their entirety by reference to, the Memorandum and Articles of Association of Morgan Stanley (Jersey) Limited (the **Issuer**) and the Statement of Rights in relation to the Preference Shares approved by the Board of Directors of the Issuer on 4 August 2010 (together, the **Articles**).

1.	Class	964
2.	Redemption Amount:	With respect to each Preference Share redeemed the following amount as at the Redemption Date: £10.00 * Interest Factor where: "**Determination Agent**" means Morgan Stanley & Co. International plc; "**Interest Factor**" means [1 + (Day Count/365 * GBP LIBOR)]; "**Issue Date**" means 14 April 2014; "**Issue Price**" means the Strike Price of the Warrant; "**Day Count**" means the number of calendar days from and including the Issue Date to but excluding the Redemption Date; and "**GBP LIBOR**" means the interpolated GBP LIBOR swap rate applicable to an investment period starting on (and including) the Issue Date and extending to (but excluding) the Redemption Date, expressed as a percentage, as determined by the Determination Agent by reference to the official British Bankers' Association LIBOR fixings ("BBA Fixings") on the Issue Date or, in the event there is no such fixing on that date, the BBA Fixing on the immediately following day on which there is a fixing.
3.	Redemption Date:	20 April 2015 or such earlier date as the holders of the Preference Shares may determine as set out below.
4.	Optional Early Redemption Period:	From and including 17 October 2014 to but excluding 20 April 2015